



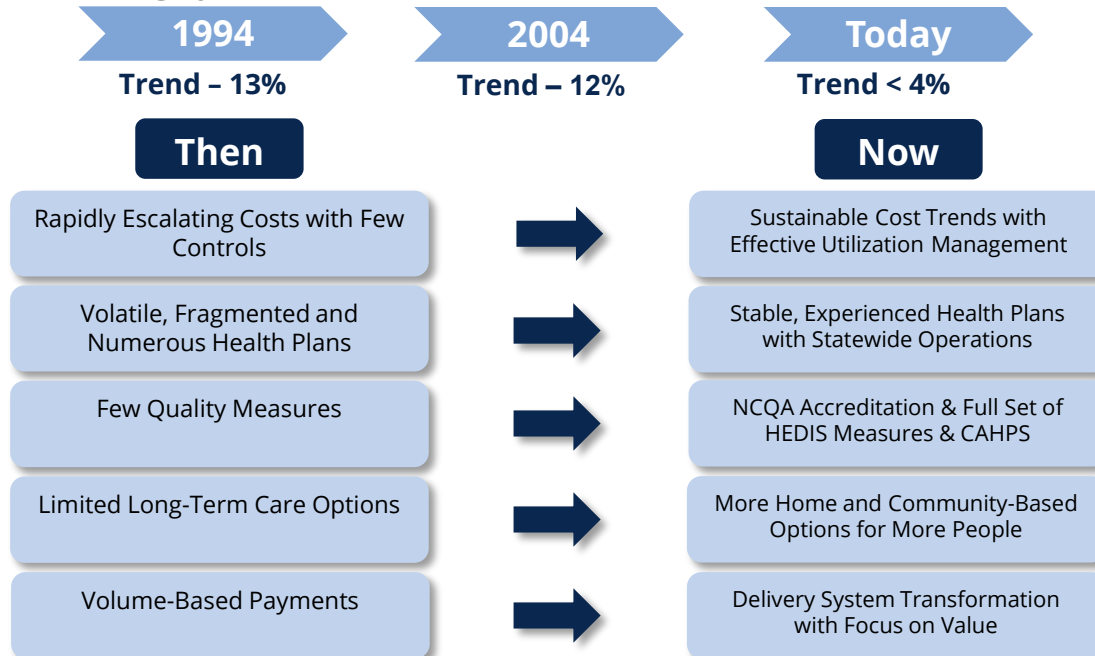
DIVISION OF TENNCARE

FISCAL YEAR 2023-2024 BUDGET HEARING

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TennCare Evolution

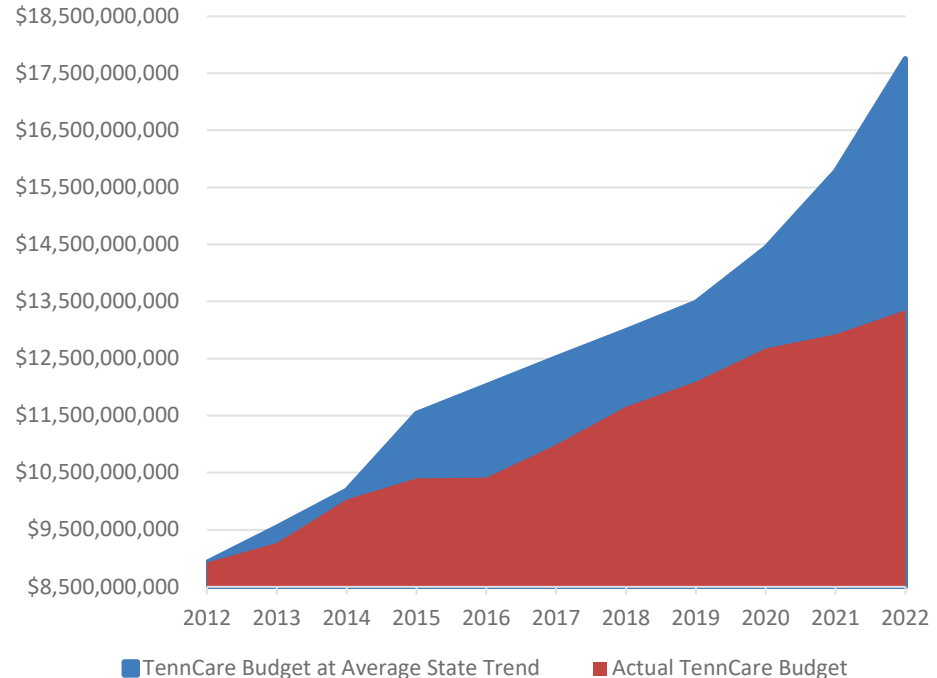
Tennessee's Medicaid program has transformed from a limited service, unpredictable and unsustainable plan to one that is comprehensive, sustainable and highly valued.



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Meeting Other State Priorities and Obligations Depends on Effective Medicaid Management

If TennCare's trend rate had tracked the national Medicaid state average, Tennessee would have spent an additional **\$5.2 billion** more in cumulative state dollars to run the current Medicaid program and TennCare's current budget would require **\$1.2 billion** more in state dollars.



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High-Quality Care For All Members



Children & Families

The Patient-Centered Medical Home initiative led to a 20% increase in key childhood immunizations.

The EPSDT screening rate in 2020 was above 80% for children under the age of five.



Adult & Pregnant Members

Diabetes, asthma, high cholesterol, blood pressure treatment, and access quality measures all improved for adults in 2020.

Postpartum visits in the first 3 months after delivery increased for a third year in a row in 2020.



LTSS

Over 500 individuals transitioned out of nursing facilities to live safely in home and community-based settings during FY20 (over 5,500 since 2010).

Average annual cost for members served in nursing facilities is \$86k compared to \$29k in HCBS settings.



Opioid Epidemic

NAS births decreased by 31% from 2016 to 2020. TN is the only state reporting a continued decline among Medicaid members.

Over 9,200 TennCare members received Medication Assisted Treatment (MAT) and Recovery services from high-quality providers in SFY21.

Our quality initiatives and success are reflected in annual external surveys of TennCare members, **with member satisfaction now at 95%, continuing a trend of being above 90% for more than a decade.**

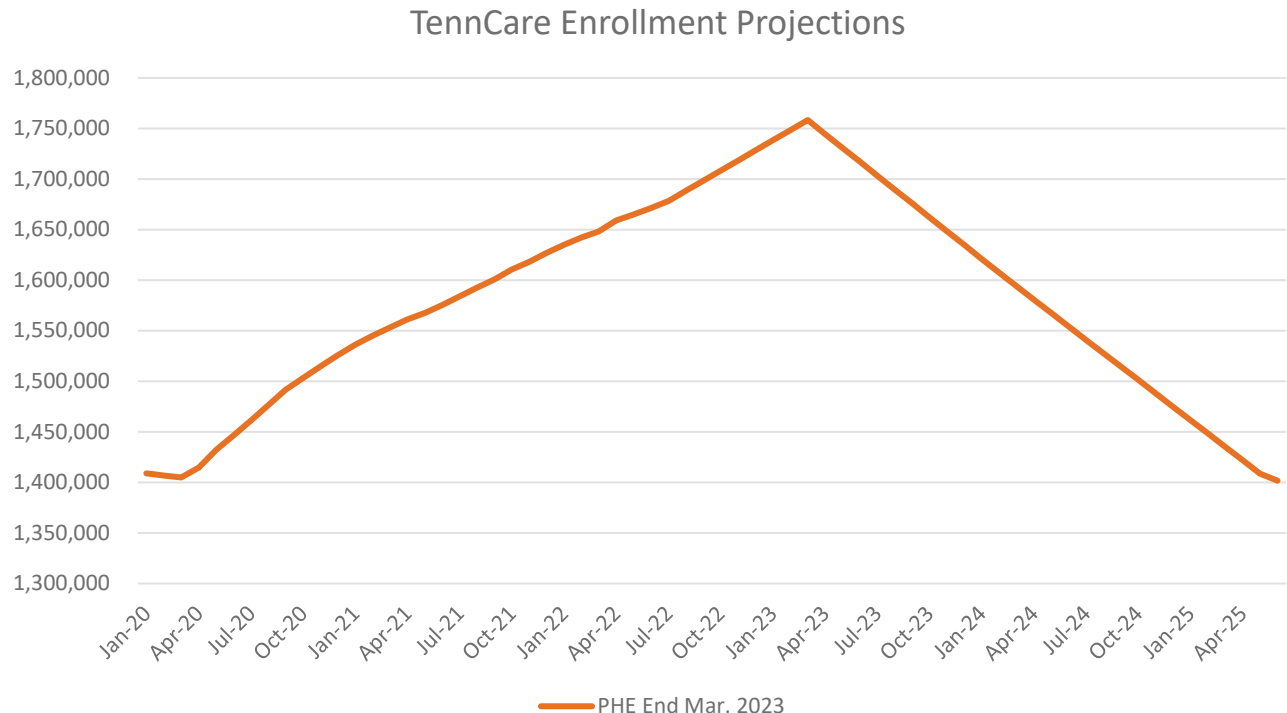
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TennCare III – Continued Improvements and Innovation

- Historic investments have been made in TennCare over the last two years:
 - ✓ New comprehensive adult dental benefit
 - ✓ Postpartum coverage extension
 - ✓ Health Starts initiative to address non-medical risk factors
 - ✓ Targeted provider investments
 - ✓ **Waiting list for individuals with intellectual and developmental disabilities seeking services in ECF CHOICES eliminated**
- Future shared savings will result in further investments

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Federal Public Health Emergency: Continued Impact on Enrollment



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Cost Increase Request

	State		Federal		Total	Positions
	Recurring	NR	Recurring	NR		
1 Inflation and Utilization	\$ 66,311,700	\$ -	\$ 125,812,700	\$ -	\$ 192,124,400	-
2 Pharmacy	47,760,100	-	90,614,900	-	138,375,000	-
3 Medicare Services	54,408,200	-	50,766,900	-	105,175,100	-
4 FQHCs and RHCs	5,177,200	-	9,822,800	-	15,000,000	-
5 Medicaid Management Information System	-	14,015,100	-	125,326,800	139,341,900	-
6 Tennessee Eligibility Determination System	-	6,334,300	-	57,008,800	63,343,100	-
7 Health Starts	-	12,300,000	-	11,400,000	23,700,000	-
8 Adult Dental Positions	200,800	-	201,000	-	401,800	4
9 Long Term Services and Supports Positions	207,400	-	207,400	-	414,800	4
10 Contract and Procurement Positions	177,700	-	177,700	-	355,400	3

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Cost Increase Request

	State		Federal		Total	Positions
	Recurring	NR	Recurring	NR		
11 Data Quality Manager	73,900	-	73,900	-	147,800	1
12 Partner Support Unit Positions	39,000	-	116,900	-	155,900	2
13 IT Security Positions	68,900	-	206,600	-	275,500	2
14 Notice Reviews Team Positions	83,800	-	83,900	-	167,700	2
15 Third Party Liability Position	39,700	-	39,700	-	79,400	1
16 DSP Rate Increase	2,534,700	-	4,809,200	-	7,343,900	-
17 Mobile Crisis Rate Increase	800,000	-	1,517,800	-	2,317,800	-
18 Hospital Uncompensated Care	9,547,600	-	(9,547,600)	-	-	-
19 School-Based Dental Prevention	258,900	-	491,100	-	750,000	-
20 FMAP Change Cost	66,128,200	-	(66,128,200)	-	-	-
Total Cost Increases	\$ 253,817,800	\$ 32,649,400	\$ 209,266,700	\$ 193,735,600	\$ 689,469,500	19

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1% Efficiency Plan

	State		Federal		Total	Positions
	Recurring	NR	Recurring	NR		
1 Hospital Grants - Jellico	\$ (150,000)	\$ -	\$ -	\$ -	\$ (150,000)	-
2 Aduhelm - Alzheimer's Drug	(16,939,400)	-	(32,139,100)	-	(49,078,500)	-
3 Predictive Analytics for Fraud, Waste, and Abuse	(605,200)	-	(1,054,500)	-	(1,659,700)	2
4 ECF CHOICES Funding Swap	-	(24,417,900)	-	24,417,900	-	-
5 Workforce Development Funding Swap	-	(12,688,100)	-	12,688,100	-	-
Total Efficiency Plan	\$ (17,694,600)	\$ (37,106,000)	\$ (33,193,600)	\$ 37,106,000	\$ (50,888,200)	2

THANK YOU